

*file DIA*

*CF: DIA, CIA, NSA Reps*

**PASS TO PA DESK**

STATEMENT OF  
LIEUTENANT GENERAL DANIEL O. GRAHAM, USA  
DIRECTOR, DEFENSE INTELLIGENCE AGENCY  
BEFORE THE MILITARY CONSTRUCTION SUBCOMMITTEE  
OF THE HOUSE COMMITTEE ON APPROPRIATIONS

JUN 1975

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RECEIVED

DIA review(s) completed.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I appreciate this opportunity to present for your consideration an urgent requirement for the Defense Intelligence Agency Building.

Included in the President's Budget for Fiscal Year 1976 is a request for \$86.1 million for the construction of a building to be located at the Bolling/Anacostia Military Complex. Since the submission of the President's Budget, we have continued, as we do with all major projects, to review our requirements with the objective of satisfying our needs with the minimum outlay of funds. This follow-on review has convinced us of the validity of our earlier estimate of funding needs. However, if certain site development costs can be avoided; and if the beginning signs of some economic and pricing stability hold; and if we accept some reductions to our building size -- a most undesirable move --, we may be able to construct an adequate facility for something less than the funding requested in the President's Budget. Our latest assessment is that it will take at least \$70.9 million to construct the DIA Building under these assumptions, which may result in some of its features bordering on the substandard. However, I feel that the building is so urgently needed that I am willing to take that risk at this time.

#### DIA MISSION

The Defense Intelligence Agency was established in 1961 by the Secretary of Defense under the provisions of the National

Security Act of 1947, as amended. The agency is primarily responsible for managing the intelligence production activities of the DoD, as well as producing intelligence to satisfy the requirements of the National Command Authorities (NCA), Unified and Specified Commands, and the Military Departments. The Defense Intelligence agency is charged with reviewing, validating, prioritizing, and tasking of Department of Defense military intelligence collection requirements. This responsibility includes the tasking of military intelligence collection requirements on activities outside the Department of Defense such as the Central Intelligence Agency, Department of State, and other collection activities. Finally, the Defense Intelligence Agency manages all DoD automated intelligence systems and support equipment and develops training and career programs for all DoD general intelligence personnel.

The Agency has been conducting these functions under extremely poor working conditions. Additionally, the existing geographic dispersion results in nonproductive manhours at a time when manpower is becoming more and more critical. We have introduced advanced automated data handling systems and other unique intelligence processing capabilities to relieve some manpower-intensive efforts and in so doing, have partially overcome the effects of this situation. These efforts have been successful in improving our operations; however, we cannot achieve full efficiency without consolidation. The new building will result in enhanced production and efficiency

while providing the environment so essential to achieving optimization of morale and career development. It will also provide improved academic facilities for training and a modern physical environment for computer and industrial activities.

#### BACKGROUND

There are three major facets to the problem. The Agency is located, for the most part, in substandard World War II temporary facilities. We are hampered by the organizational fragmentation which accompanies geographic dispersion. In addition, several planned land use changes threaten the continued availability of several current DIA sites.

The Defense Intelligence Agency is currently housed in six major locations within the National Capital Region; Arlington Hall Station, the Cafritz Building, Pomponio Plaza, Washington Navy Yard, Anacostia Annex, and the Pentagon. The planned building will consolidate approximately 2900 people now engaged in operational, industrial and academic activities at all of these locations except for the Washington Navy Yard where the DIA contingent will remain as is. After consolidation, we will operate from three locations; the Pentagon, the Navy Yard, and the new building.

#### THE REQUIREMENT

The Defense Intelligence Agency has occupied substandard facilities at the Army's Arlington Hall Station since 1961 and at the Navy's Anacostia Annex since 1963. These World War II temporary wooden structures have more than outlived their

intended useful and economic lives. They are vulnerable to fire damage and structural deterioration. Renovations to date have been based on extending their use only through the 1980 time frame. The walls of buildings at Arlington Hall, which house more than 1300 DIA employees are flexing outward, threatening collapse of the second story floors. A contractor will soon attempt to alleviate that situation using turnbuckles to bring the walls inward to their original position. The situation is further complicated by the possibility that the Agency may be required to vacate Arlington Hall Station in accordance with Defense Department plans to release the facility under the President's Legacy of Parks Program. Also, the Anacostia property which houses the Defense Intelligence School belongs to the Interior Department and the Secretary of Defense has indicated that the Defense Department will vacate this property as soon as possible to make way for other park developments. Further, our lease of the Cafritz Building expires in 1977 and will have to be renewed at that time. Continued extensions are not expected because the owner intends to use the land for other purposes--probably high rise development.

The Agency requires an operations facility to provide permanent-type space with special security features which are not typical of most military construction. Secure administrative and special purpose space is required for work on sensitive intelligence materials. The building will provide a logical and functional relationship of offices, equipment and personnel,

and thus enhance the efficiency with which this time-sensitive work is accomplished.

As I mentioned previously, we have realized many efficiencies through heavy reliance on computers and telecommunications. The Agency is presently forced to house the majority of its basic computer complex, intelligence data banks, library, and communications equipment (which links the Nation's intelligence community) at Arlington Hall Station. The computer operations must have a technically adequate environment to store, compare, analyze, and retrieve information for our intelligence analysts. This environment is not available at Arlington Hall Station. The present facility is plagued by sagging floor joints that are separating from the walls, leaking roofs, variations in temperature and humidity, and by power interruptions which cause an average of 140 shutdowns resulting in a loss of 250 computer hours each year. The new facility will provide the properly controlled environment necessary to solve this problem.

The Anacostia Annex, which was originally designed as a hospital, houses the Defense Intelligence School and provides training facilities for the Nation's defense intelligence analysts, as well as our worldwide Defense Attache personnel. This space is equipped with antiquated environment controls which are considered inadequate for concentration and learning. These substandard facilities are considered far below the physical standards that are essential for the education and

training that forms the cornerstone for achieving analyst professionalism.

The space occupied by DIA at the Cafritz Building and Pomponio Plaza is leased by the General Services Administration (GSA). DIA pays GSA over \$1 million a year for these facilities. Renovations, particularly in the Cafritz Building, have made the facilities habitable but they still provide less than optimum conditions. The Cafritz Building is a permanent brick structure originally constructed as a warehouse. It houses administrative personnel activities and an extensive, sophisticated photographic reproduction laboratory. The space occupied in the Pomponio high-rise building is primarily office space. Although fairly modern, the location is a contributing factor to our problem of organizational fragmentation.

#### THE SOLUTION

The proposed DIA building, to be located at the 88 acre Bolling/Anacostia tract, will be designed to satisfy our operational, academic, and industrial space requirements with 509,700 sq. feet of net usable space within 738,700 sq feet of gross space. These estimates are based on the final design of a building originally planned for construction at Arlington Hall Station, as modified, using a current survey of space requirements conducted in accordance with Department of Defense space standards and 1980 manpower authorizations. The \$70.9 million estimate includes the projected costs of inflation through 1980 and provides for the full financing of the complete

cost of construction of the building.

Planning for the tract continues under the supervision of the Chesapeake Division of the Naval Facilities Engineering Command. An Architectural/Engineer firm has been selected for the planning and design and a negotiated contract is expected in June 1975. The building design efforts, for which \$2.8 million was appropriated in FY 1975, will take maximum advantage of the previous design effort for Arlington Hall Station. The schedule will require design and construction to overlap, with the first construction funds to be obligated in FY 1976. The construction is to be completed in order to permit occupancy in about mid-year 1980.

#### ALTERNATIVES

The decision to pursue the construction of a building was made only after an exhaustive study of alternatives had been made. The Department of Defense has determined that the General Services Administration (GSA) cannot support the DIA request with leased space now on hand or planned for the future. The GSA Assistant Commissioner for Public Building Services has indicated that from an economic standpoint, there is no advantage to acquiring a building through the lease/purchase provisions of the Federal Building Fund over military construction. The possibility of occupying other Government Buildings was also investigated. None of adequate size will become available in the 1980 time frame. Including Bolling/Anacostia, thirty-six locations were considered as possible construction sites



for the DIA Building. None of the sites offers a distinctively greater advantage to the Government than the Bolling/Anacostia tract.

SUMMARY

In summary, I respectfully request appropriation of military construction funds in the FY 1976 Budget for a new building to bring together the Defense Intelligence Agency's analytical work force and related intelligence processing and support activities. This consolidation will maximize our capability to provide the sound and timely intelligence estimates, essential to our Nation's defense.

Mr. Chairman, that concludes my statement. I will be glad to answer any questions the Subcommittee may have.